

Calendar No. 33

103D CONGRESS
1ST SESSION

H. R. 890

AN ACT

To amend the Federal Deposit Insurance Act and the Federal Credit Union Act to improve the procedures for treating unclaimed insured deposits, and for other purposes.

MARCH 11 (legislative day, MARCH 3), 1993

Read twice and ordered placed on the calendar

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IN THE SENATE OF THE UNITED STATES

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AN ACT

To amend the Federal Deposit Insurance Act and the Federal Credit Union Act to improve the procedures for treating unclaimed insured deposits, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Unclaimed Deposits
5 Amendments Act of 1993”.

1 **SEC. 2. AMENDMENTS RELATING TO TREATMENT OF UN-**
2 **CLAIMED DEPOSITS AT INSURED BANKS AND**
3 **SAVINGS ASSOCIATIONS.**

4 (a) IN GENERAL.—Subsection (e) of section 12 of the
5 Federal Deposit Insurance Act (12 U.S.C. 1822(e)) is
6 amended to read as follows:

7 “(e) DISPOSITION OF UNCLAIMED ACCOUNTS.—

8 “(1) CASH DISTRIBUTIONS.—

9 “(A) IN GENERAL.—If, in connection with
10 any cash distribution under section 11(f)(1) to
11 insured depositors at any insured depository in-
12 stitution, any depositor fails to claim such pay-
13 ment for the depositor’s insured deposit from
14 the Corporation before the later of—

15 “(i) the end of the 3-month period be-
16 ginning on the date on which the Corpora-
17 tion mailed a notice of the distribution to
18 the depositor at the last-known address for
19 the depositor on the books of the institu-
20 tion; and

21 “(ii) the end of the 18-month period
22 beginning on the date of the appointment
23 of a receiver for such institution,
24 the Corporation shall notify the appropriate
25 State and offer to transfer to the custody of
26 such State an amount equal to the insured de-

1 posit of such depositor at such institution for
2 disposition by such State in accordance with
3 any State law which provides for the disposition
4 of abandoned or unclaimed property in the
5 State.

6 “(B) DISPOSITION OF CLAIMS IF STATE
7 DOES NOT ACCEPT CUSTODY.—

8 “(i) AVAILABILITY TO DEPOSITOR.—If
9 the appropriate State does not accept the
10 custody of the amount of any insured de-
11 posit which the Corporation offers to
12 transfer under subparagraph (A), the Cor-
13 poration shall permit the depositor (on
14 whose behalf such transfer was offered) to
15 make a claim against the Corporation for
16 an amount equal to the insured deposit.

17 “(ii) TERMINATION OF CLAIM AT END
18 OF RECEIVERSHIP.—If a depositor de-
19 scribed in clause (i) fails to make a claim
20 under such clause for the amount of the
21 insured deposit of such depositor at the in-
22 sured depository institution before the ter-
23 mination of the receivership—

24 “(I) all rights of the depositor
25 against the Corporation with respect

1 to such insured deposit shall be
2 barred; and

3 “(II) notwithstanding any provi-
4 sion of State law, the insured deposit
5 shall become the property of the Cor-
6 poration.

7 “(C) DISPOSITION OF CLAIMS IF STATE
8 DOES ACCEPT CUSTODY.—If the appropriate
9 State does accept the custody of the amount of
10 any insured deposit which the Corporation of-
11 fers to transfer under subparagraph (A), all
12 rights of the depositor against the Corporation
13 with respect to such deposit shall be barred as
14 of the date of the transfer.

15 “(D) REVERSION TO CORPORATION AFTER
16 10 YEARS AND TERMINATION OF ALL CLAIMS OF
17 DEPOSITOR.—If an insured deposit is trans-
18 ferred to the custody of the appropriate State
19 and is not claimed by the depositor before the
20 end of the 10-year period beginning on the date
21 of the transfer—

22 “(i) the deposit shall be transferred
23 back to the Corporation;

24 “(ii) all rights of the depositor against
25 the State with respect to such insured de-

1 posit shall be barred as of the date of the
2 transfer to the Corporation; and

3 “(iii) notwithstanding any provision of
4 State law, the insured deposit shall become
5 the property of the Corporation.

6 “(2) TRANSFERRED DEPOSITS.—

7 “(A) IN GENERAL.—If the Corporation
8 satisfies the Corporation’s obligation under sec-
9 tion 11(f)(1) by making available to each de-
10 positor a transferred deposit in an insured de-
11 pository institution (including a new bank or
12 bridge bank), all rights of the depositor against
13 the Corporation with respect to the transferred
14 deposit shall be barred as of the date of the
15 transfer except to the extent otherwise provided
16 under subparagraph (B).

17 “(B) OFFER TO TRANSFER TO STATES.—
18 If any depositor fails to claim a transferred de-
19 posit from the insured depository institution to
20 which such transfer was made under section
21 11(f)(1) before the end of the 18-month period
22 beginning on the date of the deposit transfer to
23 such institution—

24 “(i) the institution shall transfer the
25 insured deposit back to the Corporation;

1 “(ii) the Corporation shall notify the
2 appropriate State and offer to transfer to
3 the custody of such State an amount equal
4 to the insured deposit of such depositor at
5 such institution for disposition by such
6 State in accordance with any State law
7 which provides for the disposition of aban-
8 doned or unclaimed property in the State;
9 and

10 “(iii) subparagraphs (B), (C), and (D)
11 of paragraph (1) shall apply with respect
12 to such deposit as of the date the Corpora-
13 tion notifies the appropriate State pursu-
14 ant to clause (ii).

15 “(3) APPROPRIATE STATE DEFINED.—For pur-
16 poses of this subsection, the term ‘appropriate State’
17 means, with respect to any insured deposit for which
18 a cash distribution or transferred deposit is made
19 available under section 11(f), the State whose laws
20 providing for the disposition of abandoned or un-
21 claimed property would have applied to such deposit
22 if no conservator or receiver had been appointed for
23 the depository institution (as of the date of the dis-
24 tribution or transfer).”.

1 (b) RETROACTIVE APPLICATION TO UNRESOLVED
2 CASES.—

3 (1) IN GENERAL.—Except as provided in para-
4 graph (2), the Federal Deposit Insurance Corpora-
5 tion and the Resolution Trust Corporation shall
6 make available to any qualifying depositor an
7 amount equal to the insured deposit or transferred
8 deposit for which the Corporation was liable under
9 section 11(f) of the Federal Deposit Insurance Act,
10 as in effect on the day before the date of the enact-
11 ment of this Act.

12 (2) EXCEPTION FOR CLOSED RECEIVER-
13 SHIPS.—The requirements of this subsection shall
14 not apply with respect to any insured deposit or
15 transferred deposit from an insured depository insti-
16 tution for which the Corporation has been appointed
17 receiver before the date of this Act's enactment if—

18 (A) the Corporation was appointed receiver
19 before January 1, 1989; or

20 (B) all stages of winding up the affairs of
21 the institution, or the liquidation of the institu-
22 tion, has been fully completed before the date of
23 the enactment of this Act, including the termi-
24 nation of any receivership, bridge bank, or new
25 bank or the termination of any conservatorship

1 established for any successor or resulting depos-
2 itory institution in connection with such resolu-
3 tion.

4 (3) DISPOSITION OF CLAIMS.—

5 (A) CLAIM BY QUALIFIED DEPOSITOR.—

6 The Corporation shall permit a qualifying de-
7 positor to make a claim against the Corporation
8 for the amount referred to in paragraph (1).

9 (B) CONSEQUENCES OF FAILURE TO
10 CLAIM.—If a qualifying depositor fails to make
11 a claim under subparagraph (A) before the re-
12 ceivership for the insured depository institution
13 in default is terminated—

14 (i) all rights of the qualifying deposi-
15 tor against the Corporation with respect to
16 such claim shall be barred; and

17 (ii) notwithstanding any provision of
18 State law, the amount shall become prop-
19 erty of the Corporation.

20 (C) QUALIFYING DEPOSITORS HOLDING
21 RECEIVERSHIP CERTIFICATES OR CLAIMS.—In
22 the case of any qualifying depositor who has
23 filed a claim with the Corporation as receiver
24 for any amount which, by reason of this sub-
25 section, is eligible for payment under this sub-

1 section, the Corporation shall treat the claim as
2 a claim under subparagraph (A).

3 (4) SUBROGATION RIGHTS OF THE CORPORA-
4 TION.—To the extent the Corporation makes pay-
5 ments of amounts under this subsection, the Cor-
6 poration shall have the subrogation rights provided
7 in section 11(g) of the Federal Deposit Insurance
8 Act with respect to such payments.

9 (5) RELEASE OF DATA TO STATES.—The Cor-
10 poration shall provide, at the request of and for the
11 sole use of the appropriate State, the name and last-
12 known address of any depositor whose claim with re-
13 spect to an insured deposit at any insured depository
14 institution was extinguished pursuant to section
15 12(e) of the Federal Deposit Insurance Act after
16 December 31, 1988, and before the date of the en-
17 actment of this Act.

18 (6) DEFINITIONS.—For purposes of this sub-
19 section—

20 (A) CORPORATION.—The term “Corpora-
21 tion” means the Federal Deposit Insurance
22 Corporation or the Resolution Trust Corpora-
23 tion, as the case may be.

24 (B) QUALIFYING DEPOSITOR.—The term
25 “qualifying depositor” means a depositor who

1 did not receive payment of the depositor's in-
2 sured deposit or transferred deposit as a result
3 of the depositor's failure to claim the insured
4 deposit or to arrange to continue the trans-
5 ferred deposit, as the case may be, within the
6 18-month period described in section 12(e) of
7 the Federal Deposit Insurance Act, as in effect
8 on the day before the date of the enactment of
9 this Act.

10 **SEC. 3. AMENDMENTS RELATING TO TREATMENT OF UN-**
11 **CLAIMED DEPOSITS AT INSURED CREDIT**
12 **UNIONS.**

13 (a) IN GENERAL.—Section 207(o) of the Federal
14 Credit Union Act (12 U.S.C. 1787(o)) is amended to read
15 as follows:

16 “(o) DISPOSITION OF UNCLAIMED ACCOUNTS.—

17 “(1) CASH DISTRIBUTIONS.—

18 “(A) IN GENERAL.—If, in connection with
19 any cash distribution under subsection (d)(1) to
20 insured accountholders at any insured credit
21 union, any accountholder fails to claim such
22 payment for the accountholder's insured deposit
23 from the Board before the later of—

24 “(i) the end of the 4-month period be-
25 ginning on the date on which the Board

1 mailed a notice of the distribution to the
2 accountholder at the last-known address
3 for the accountholder on the books of the
4 credit union; and

5 “(ii) the end of the 18-month period
6 beginning on the date of the appointment
7 of a liquidating agent for such credit
8 union,

9 the Board shall notify the appropriate State
10 and offer to transfer to the custody of such
11 State an amount equal to the insured deposit of
12 such accountholder at such credit union for dis-
13 position by such State in accordance with any
14 State law which provides for the disposition of
15 abandoned or unclaimed property in the State.

16 “(B) DISPOSITION OF CLAIMS IF STATE
17 DOES NOT ACCEPT CUSTODY.—

18 “(i) AVAILABILITY TO ACCOUNT-
19 HOLDER.—If the appropriate State does
20 not accept the custody of the amount of
21 any insured deposit which the Board offers
22 to transfer under subparagraph (A), the
23 Board shall permit the accountholder (on
24 whose behalf such transfer was offered) to

1 make a claim against the Board for an
2 amount equal to the insured deposit.

3 “(ii) TERMINATION OF CLAIM AT END
4 OF LIQUIDATION.—If an accountholder de-
5 scribed in clause (i) fails to make a claim
6 under such clause for the amount of the
7 insured deposit of such accountholder at
8 the insured credit union before the liquida-
9 tion of the credit union is completed—

10 “(I) all rights of the
11 accountholder against the Board with
12 respect to such insured deposit shall
13 be barred; and

14 “(II) notwithstanding any provi-
15 sion of State law, the insured deposit
16 shall become the property of the
17 Board.

18 “(C) BAR ON CLAIMS AGAINST BOARD
19 WHILE STATE RETAINS CUSTODY OF INSURED
20 DEPOSIT.—If the appropriate State does accept
21 the custody of the amount of any insured de-
22 posit which the Board offers to transfer under
23 subparagraph (A), all rights of the
24 accountholder against the Board with respect to

1 such deposit shall be barred as of the date of
2 the transfer.

3 “(D) REVERSION TO BOARD AFTER 10
4 YEARS AND TERMINATION OF ALL CLAIMS OF
5 ACCOUNTHOLDER.—If an insured deposit is
6 transferred to the custody of the appropriate
7 State and is not claimed by the accountholder
8 before the end of the 10-year period beginning
9 on the date of the transfer—

10 “(i) the deposit shall be transferred
11 back to the Board;

12 “(ii) all rights of the accountholder
13 against the State with respect to such in-
14 sured deposit shall be barred as of the date
15 of the transfer to the Board; and

16 “(iii) notwithstanding any provision of
17 State law, the insured deposit shall become
18 the property of the Board.

19 “(2) TRANSFERRED DEPOSITS.—

20 “(A) IN GENERAL.—If the Board satisfies
21 the Board’s obligation under subsection (d)(1)
22 by making available to each accountholder a
23 transferred deposit in an insured credit union
24 (including a new credit union), all rights of the
25 accountholder against the Board with respect to

1 the transferred deposit shall be barred as of the
2 date of the transfer except to the extent other-
3 wise provided under subparagraph (B).

4 “(B) OFFER TO TRANSFER TO STATES.—

5 If any accountholder fails to claim a transferred
6 deposit from the insured credit union to which
7 such transfer was made under subsection (d)(1)
8 before the end of the 18-month period begin-
9 ning on the date of the deposit transfer to such
10 credit union—

11 “(i) the credit union shall transfer the
12 deposit back to the Board;

13 “(ii) the Board shall notify the appro-
14 priate State and offer to transfer to the
15 custody of such State an amount equal to
16 the insured deposit of such accountholder
17 at such credit union for disposition by such
18 State in accordance with any State law
19 which provides for the disposition of aban-
20 doned or unclaimed property in the State;
21 and

22 “(iii) subparagraphs (B), (C), and (D)
23 of paragraph (1) shall apply with respect
24 to such deposit as of the date the Board

1 notifies the appropriate State pursuant to
2 clause (ii).

3 “(3) APPROPRIATE STATE DEFINED.—For pur-
4 poses of this subsection, the term ‘appropriate State’
5 means, with respect to any insured deposit for which
6 a cash distribution or transferred deposit is made
7 available under subsection (d)(1), the State whose
8 laws providing for the disposition of abandoned or
9 unclaimed property would have applied to such de-
10 posit if no conservator or liquidating agent had been
11 appointed for the credit union (as of the date of the
12 distribution or transfer).”.

13 (b) RETROACTIVE APPLICATION TO UNRESOLVED
14 CASES.—

15 (1) IN GENERAL.—Except as provided in para-
16 graph (2), the National Credit Union Administration
17 Board shall make available to any qualifying deposi-
18 tor an amount equal to the insured deposit or trans-
19 ferred deposit for which the Board was liable under
20 section 207(d)(1) of the Federal Credit Union Act,
21 as in effect on the day before the date of the enact-
22 ment of this Act.

23 (2) EXCEPTION FOR CREDIT UNIONS FULLY
24 LIQUIDATED BEFORE DATE OF ENACTMENT.—The
25 requirements of this subsection shall not apply with

1 respect to any insured deposit or transferred deposit
2 from an insured credit union for which the Board
3 has been appointed liquidating agent before the date
4 of this Act's enactment if—

5 (A) the Board was appointed liquidating
6 agent before January 1, 1989; or

7 (B) the liquidation of the institution has
8 been fully completed before the date of the en-
9 actment of this Act.

10 (3) DISPOSITION OF CLAIMS.—

11 (A) CLAIM BY QUALIFIED DEPOSITOR.—
12 The Board shall permit a qualifying depositor
13 to make a claim against the Board for the
14 amount referred to in paragraph (1).

15 (B) CONSEQUENCES OF FAILURE TO
16 CLAIM.—If a qualifying depositor fails to make
17 a claim under subparagraph (A) before the
18 Board completes the liquidation of the insured
19 credit union—

20 “(i) all rights of the qualifying deposi-
21 tor against the Board with respect to such
22 claim shall be barred; and

23 “(ii) notwithstanding any provision of
24 State law, the amount shall become prop-
25 erty of the Board.

1 (C) QUALIFYING DEPOSITORS HOLDING
2 CERTIFICATES OR CLAIMS AGAINST AN INSURED
3 CREDIT UNION IN LIQUIDATION.—In the case of
4 any qualifying depositor who has filed a claim
5 with the Board as liquidating agent for any
6 amount which, by reason of this subsection, is
7 eligible for payment under this subsection, the
8 Board shall treat the claim as a claim under
9 subparagraph (A).

10 (4) SUBROGATION RIGHTS OF THE BOARD.—To
11 the extent the Board makes payments of amounts
12 under this subsection, the Board shall have the sub-
13 rogation rights provided in section 207(e) of the
14 Federal Credit Union Act with respect to such pay-
15 ments.

16 (5) RELEASE OF DATA TO STATES.—The Board
17 shall provide, at the request of and for the sole use
18 of the appropriate State, the name and last-known
19 address of any accountholder whose claim with re-
20 spect to an insured deposit at any insured credit
21 union was extinguished pursuant to section 12(e) of
22 the Federal Deposit Insurance Act after December
23 31, 1988, and before the date of the enactment of
24 this Act.

(A) BOARD.—The term “Board” means the National Credit Union Administration Board.

(B) QUALIFYING DEPOSITOR.—The term “qualifying depositor” means an insured accountholder who did not receive payment of the accountholder’s insured deposit or transferred deposit as a result of the accountholder’s failure to claim the insured deposit or to arrange to continue the transferred deposit, as the case may be, within the 18-month period described in section 207(o) of the Federal Credit Union Act, as in effect on the day before the date of the enactment of this Act.

Attest: DONNALD K. ANDERSON,
Clerk.

•HR 890 PCS